

Message Text

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ACTION OPIC-12

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LAB-06 SIL-01 OMB-01 PA-04 PRS-01 USIA-15 L-03 H-03

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FM AMEMBASSY LAGOS

TO SECSTATE WASHDC PRIORITY 5357

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E.O. 11652 : NA

TAGS : EFIN, NI

SUBJ : OPIC AGREEMENT

1. FOLLOWING IS TEXT OF REMARKS DELIVERED BY COMMISSIONER FOR INDUSTRIES ADETORO AT AUGUST 3 SIGNING OF OPIC AGREEMENT:

2. BEGIN TEXT. YOUR EXCELLENCY, LADIES AND GENTLEMEN, IT IS A GREAT PLEASURE TO ME TO SIGN ON BEHALF OF THE FEDERAL MILITARY GOVERNMENT OF NIGERIA THIS NEW INVESTMENT GUARANTEE AGREEMENT BETWEEN OUR GOVERNMENT AND THE GOVERNMENT OF THE UNITED STATES OF AMERICA. THIS AGREEMENT REPLACES THE FORMER ONE SIGNED IN 1962. AT THAT TIME THIS COUNTRY WAS ON THE VERGE OF LAUNCHING ITS FIRST NATIONAL DEVELOPMENT PLAN. THE AGREEMENT WAS WELCOMED AS A POSITIVE MOVE, TO ENSURE EFFECTIVE AMERICAN PARTICIPATION IN OUR INDUSTRIAL DEVELOPMENT. IT MAY NOT BE TOO MUCH TO SAY THAT OUR EARNEST EXPECTATIONS ON THAT AGREEMENT WERE NOT FULLY MET. LIKE MOST OTHER DEVELOPED COUNTRIES, AMERICAN BUSINESSMEN HAVE BEEN SLOW IN INVESTING IN NIGERIA PROBABLY BECAUSE SHE HAD JUST ATTAINED HER INDEPENDENCE. THE GUARANTEE PROVIDED BY THE AGREEMENT DID NOT THEREFORE, YIELD THE EXPECTED RESULTS.

TWELVE YEARS HAVE ELAPSED SINCE THE FORMER AGREEMENT WAS SIGNED. IT IS MY EARNEST BELIEF THAT AMERICANS WILL NO LONGER
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CLAIM TO BE IGNORANT OF THE VAST INVESTMENT OPPORTUNITIES AND

THE IDEAL INVESTMENT CLIMATE WHICH EXISTS IN NIGERIA.

THIS AGREEMENT WHICH WE HAVE SIGNED TODAY HAS THEREFORE COME AT AN AUSPICIOUS TIME WHEN WE ARE MAKING THE FINAL PREPARATIONS FOR THE LAUNCHING OF OUR THIRD NATIONAL DEVELOPMENT PLAN. WE ARE CONSCIOUS OF THE NEED FOR ATTRACTING INVESTORS OF THE UNITED STATES OF AMERICA INTO NIGERIA. AT OUR PRESENT STAGE OF DEVELOPMENT THERE IS A GREAT NEED FOR PROMOTING INDUSTRIAL GROWTH. THIS NEED WE CAN SATISFY BY ENSURING THAT APPROPRIATE TECHNOLOGICAL SKILLS AND KNOW-HOW ARE IMPARTED TO OUR PEOPLE.

THE INVESTMENT GUARANTEE AGREEMENT PROVIDES IMMENSE OPPORTUNITIES FOR AMERICANS TO INVEST IN THE WAY THEY UNDERSTAND. THE AMERICANS AND OURSELVES EXPECT TO DERIVE BENEFITS FROM THIS MUTUAL CO-OPERATION. WE IN THIS COUNTRY HAVE KEPT A WONDERFUL RECORD OF HARMONIOUS CO-OPERATION WITH FOREIGN ENTERPRISES OPERATING IN OUR COUNTRY AND HAVE ALWAYS STRIVEN TO PLAY THE BALL ACCORDING TO THE RULES. OUR COURSE OF ACTION IS HOWEVER, CLEAR WHERE THE INTERESTS OF OUR SOVEREIGN NATION IS INVOLVED.

FOR FOREIGN INVESTORS A VERY WIDE AND CHALLENGING OPPORTUNITIES EXIST IN VARIOUS FIELDS IN NIGERIA. GENUINE INVESTORS ARE THEREFORE ALWAYS MOST WELCOME, BUT WE ALSO ENSURE THAT LOCAL PARTICIPATION IN MOST VENTURES IS ATTAINED TO REASONABLE LEVELS. THIS IS ONE OF THE ASPECTS THE NIGERIAN ENTERPRISE PROMOTION DECREE SEEKS TO ESTABLISH.

OUR MUTUAL CO-OPERATION IN THE FIELD OF INDUSTRIAL DEVELOPMENT SHOULD LEAD TO THE BENEFIT OF BOTH PARTIES. THIS WE HOPE WILL BE BORNE IN MIND BY THOSE WHO ARE WILLING TO TAKE THE OPPORTUNITY OPENED UP BY SIGNING OF THIS AGREEMENT.

NIGERIA WELCOMES FOREIGN INVESTORS ESPECIALLY IN THE MORE SOPHISTICATED FIELDS WHICH WILL LEAD TO THE TRANSFER OF SKILLS AND TECHNOLOGY TO OUR COUNTRY AND THEREBY ENSURE THE RETENTION OF MAXIMUM BENEFIT BY OUR PEOPLE THROUGH THE OPPORTUNITY AFFORDED TO OUR FOREIGN FRIENDS TO INVEST IN NIGERIA. THIS, YOUR EXCELLENCY, IS WHAT WE FEEL ALL THIS AGREEMENT IS ABOUT. END TEXT.

REINHARDT
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